

Mineral Industry Surveys

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LEAD IN JULY 1999

Mine production, based upon the net quantity of lead recovered in the smelting of concentrate, increased by 1% in June compared with production in May. Data on mine production in July were not available at the time of publication. Secondary refinery production decreased by 11% in July, owing mainly to the brief early summer shutdowns taken by some of the major producers. Reported consumption was down by about 3% in July.

According to *Platt's Metals Week* published quotations, the average North American producer price remained unchanged and the average London Metal Exchange (LME) cash price (U.S. dollars) increased by 1.2% in July.

North American secondary lead producers were cautiously optimistic that 1999 would be a better year than anticipated. Early summer lead sales were strong and were expected to continue. The very hot temperatures that existed on the east coast of the United States in July caused additional strain on automotive batteries. Thus, demand for replacement automotive batteries was expected to increase in the coming months (Metal Bulletin, 1999a).

National Defense Stockpile cash disposal (sale) of lead in July was 4,954 metric tons (5,461 short tons). Sale of lead thus far in fiscal year 1999 (October 1998 through July 1999), was 44,854 metric tons (49,443 short tons).

ASARCO Incorporated, New York, announced recently that it will close its Black Cloud lead-zinc-silver mine in Leadville, CO. The mine had been on care and maintenance status since late January 1999, during which time an exploration drilling program was conducted in an attempt to find new lead reserves. The exploration program was unsuccessful and it is now anticipated that salvaging of the equipment from the mine will be completed by the end of summer 1999. A small staff then will remain on site to complete the remediation process. The Black Cloud Mine was first opened in 1971 and, according to a mine official, was

operated significantly longer than its originally projected life span (Platt's Metals Week, 1999).

Milling was restarted at Spain's Los Frailes Mine, following the closure of operations when a tailings dam was damaged in April 1998. The owner of the mine, Boliden Apirsa, a subsidiary of Canada's Boliden Ltd., reported that initial milling was conducted at about 70% of plant capacity, but that full capacity was expected to be reached rather quickly. Mining at Los Frailes had been restarted in April 1999 after a mining license had been received, and a permit had been issued to dump tailings from the Los Frailes operations at the adjacent Aznalcollar mine site (Metal Bulletin, 1999b).

Update

GNB Technologies, Inc., Atlanta, GA, announced in late August that it planned to close indefinitely its secondary lead smelter in Columbus, GA, at the end of October 1999. The new facility was opened about 4 years ago, but failed to reach its full production capacity. According to a GNB official, the current low price of lead and the cost of producing recycled lead at the Columbus plant prevented the plant from being competitive (American Metal Market, 1999).

References Cited

- American Metal Market, 1999, GNB ready to close lead smelter in GA: American Metal Market, v. 107, no. 164, August 25, p. 1.
- Metal Bulletin, 1999a, Hot weather encourages US secondary Pb market: Metal Bulletin, no. 8394, July 19, p. 9.
- 1999b, Los Frailes restarts: Metal Bulletin, no. 8389, July 1, p. 12.
- Platt's Metals Week, 1999, Asarco to close Black Cloud Mine: v. 70, no. 27, July 5, p. 12.

TABLE 1
SALIENT LEAD STATISTICS IN THE UNITED STATES 1/

(Metric tons)

	1998		1999		
	January - December p/	January - July	June	July	January - July
Production:					
Mine (recoverable)	449,000	252,000	42,600	NA	258,000 2/
Primary refinery 3/	NA	193,000	NA	NA	NA
Secondary refinery:					
Reported by smelters/refineries	1,080,000	626,000	88,400	78,800	599,000
Estimated	18,400	10,600	1,480	1,190	9,790
Recovered from copper-base scrap e/	15,000	8,750	1,250	1,250	8,750
Total secondary	1,110,000	645,000	91,100	81,300	618,000
Stocks, end of period:					
Primary refineries	XX	XX	NA	NA	XX
Secondary smelters and consumers	XX	XX	63,700 r/	63,700	XX
Imports for consumption:					
Ore and concentrates (lead content)	32,700	14,200	544	NA	2,490 2/
Refined metal	267,000	148,000	26,200	NA	132,000 2/
Consumption:					
Reported	1,500,000	881,000 r/	126,000	123,000	871,000
Undistributed e/	46,400	27,200 r/	3,890	3,790	26,900
Total	1,550,000	908,000 r/	130,000	126,000	898,000
Exports (lead content):					
Ore and concentrates	72,400	31,600	1,800	NA	10,300 2/
Bullion	51,600	26,900	7,450	NA	31,200 2/
Materials excluding scrap	39,600	23,300	2,040	NA	16,100 2/
Ash and residues	9,030	4,840	10	NA	827 2/
TEL/TML preparations, based on lead compounds	3,180	1,660	191	NA	1,780 2/
Exports (gross weight): Scrap	99,200	53,400	9,650	NA	52,500 2/
Platt's Metals Week North American producer price (cents per pound)	45.27	45.32	43.70	43.70	43.74

e/ Estimated. p/ Preliminary. r/ Revised. NA Not available. XX Not applicable.

1/ Data are rounded to three significant digits, except prices; may not add to totals shown.

2/ Includes data for January - June only; July data not available at time of publication.

3/ Data from American Bureau of Metal Statistics, Inc. (ABMS).

TABLE 2
MONTHLY AVERAGE LEAD PRICES

	North American producer price cents/lb	LME		Sterling exchange rate dollars/£
		\$/metric ton	£/metric ton	
1998:				
July	45.42	545.74	332.02	1.643687
January - July	45.32	542.20	328.78	1.648897
Year	45.27	528.22	318.86	1.657086
1999:				
April	43.77	518.98	322.58	1.608850
May	43.84	541.12	334.97	1.615410
June	43.70	495.75	310.81	1.595018
July	43.70	495.46	314.56	1.575086
January - July	43.74	509.14	315.68	1.613297

Source: Platt's Metals Week.

TABLE 3
CONSUMPTION OF PURCHASED LEAD-BASE SCRAP IN JULY 1999 1/

(Metric tons, gross weight)

Item	Stocks June 30, 1999	Net receipts	Consumption	Stocks July 31, 1999
Battery-lead	19,600	96,500	93,600	22,400
Soft lead	W	W	W	W
Drosses and residues	3,390	5,380	5,410	3,360
Other 2/	2,290	1,340	1,230	2,400
Total	25,300	103,000	100,000	28,200
Percent change from preceding month	XX	-7.6	-8.9	+11.4

W Withheld to avoid disclosing company proprietary data; included with "Other." XX Not applicable.

1/ Data are rounded to three significant digits; may not add to totals shown.

2/ Includes solder, common babbitt, antimonial lead, cable covering, type metals, and other lead-base scrap not elsewhere classified.

TABLE 4
LEAD, TIN, AND ANTIMONY RECOVERED FROM LEAD-BASE
SCRAP IN JULY 1999 1/

(Metric tons)

Product recovered	Secondary metal content		
	Lead	Tin	Antimony
Soft and calcium lead	43,100	--	--
Remelt lead	W	W	W
Antimonial lead	30,200	W	W
Other 2/	W	W	--
Total lead-base	78,800	27	133

W Withheld to avoid disclosing company proprietary data; included in "Total."

1/ Data are rounded to three significant digits.

2/ Includes cable lead, lead-base babbitt, solder, type metals, and other products

TABLE 5
CONSUMPTION OF LEAD IN THE UNITED STATES 1/

(Metric tons, lead content)

Uses	1998		1999		
	January - December p/	January - July	June	July	January - July
Metal products:					
Ammunition, shot and bullets	40,700	23,200 r/	3,230	2,470	24,100
Brass and bronze, billet and ingots	5,420	3,230	492	437	3,250
Cable covering, power and communication and cabling lead, building construction	5,080	4,190	187	342	1,680
Casting metals	5,140	3,120 r/	422	402	2,980
Pipes, traps, and other extruded products	W	W	W	W	W
Sheet lead	17,200	9,980 r/	2,170	2,180	14,800
Solder	7,460	4,140	1,180	1,330	9,470
Storage batteries, including oxides	1,350,000	786,000 r/	112,000	109,000	774,000
Terne metal, type metal, and other metal products 2/	4,060	5,360 r/	163	172	1,260
Total metal products	1,430,000	839,000 r/	120,000	117,000	831,000
Other oxides	(3/)	(3/)	(3/)	(3/)	(3/)
Miscellaneous uses	65,700	41,900 r/	6,070	5,850	39,500
Total reported	1,500,000	881,000 r/	126,000	123,000	871,000
Undistributed consumption e/	46,400	27,200 r/	3,890	3,790	26,900
Grand total	1,550,000	908,000 r/	130,000	126,000	898,000

e/ Estimated. p/ Preliminary. r/ Revised. W Withheld to avoid disclosing company proprietary data; included with "Sheet lead."

1/ Data are rounded to three significant digits; may not add to totals shown.

2/ Includes lead consumed in foil, collapsible tubes, annealing, plating, galvanizing, and fishing weights.

3/ Withheld to avoid disclosing company proprietary data; included with "Miscellaneous uses."

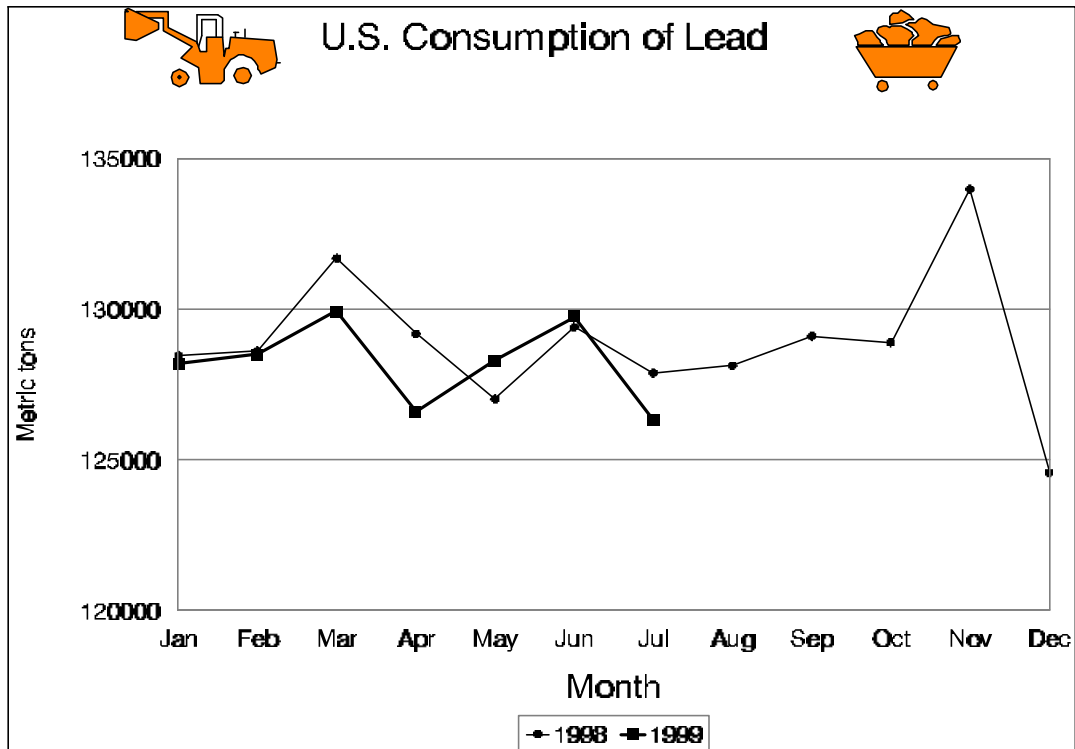


TABLE 6
CONSUMER AND SECONDARY SMELTER STOCKS, RECEIPTS, AND
CONSUMPTION OF LEAD IN JULY 1999 1/

(Metric tons, lead content)

Type of material	Stocks June 30, 1999	Net receipts	Consumption	Stocks July 31, 1999
Soft lead	29,200 t/	72,100	71,300	30,100
Antimonial lead	28,400 t/	28,600	29,600	27,400
Lead alloys	W	21,400	21,300	W
Copper-base scrap	W	359	363	W
Total	63,700	122,000	123,000	63,700

W Withheld to avoid disclosing company proprietary data; included in "Total."

1/ Data are rounded to three significant digits; may not add to totals shown.

TABLE 7
U.S. EXPORTS OF LEAD, BY CLASS 1/

(Metric tons)

	1998		1999		
	Year total	June	May	June	January - June
Lead content:					
Ore and concentrates	72,400	519	2,050	1,800	10,300
Bullion	51,600	5,800	7,300	7,450	31,200
Materials excluding scrap	39,600	4,300	2,810	2,040	16,100
Ash and residues	9,030	1,590	196	10	827
TEL/TML preparations, based on lead compounds	3,180	347	272	191	1,780
Total	176,000	12,600	12,600	11,500	60,200
Gross weight: Scrap	99,200	9,210	7,660	9,650	52,500

1/ Data are rounded to three significant digits; may not add to totals shown.

Source: Bureau of the Census.

TABLE 8
U.S. IMPORTS OF LEAD BY TYPE OF MATERIALS AND BY COUNTRY OF ORIGIN 1/

(Metric tons, lead content)

Country of origin	General imports					Imports for consumption				
	1998		1999			1998		1999		
	Year total	January - June	May	June	January - June	Year total	January - June	May	June	January - June
Ore, matte, etc.:										
Bolivia	478	478	--	--	--	--	--	--	--	--
Canada	32,000	32,000	--	--	1,220	6,540	6,540	--	--	--
Peru	35,800	8,440	1,400	554	2,740	18,500	3,990	--	--	--
Other	20,500	1,080	--	5,560	13,900	7,670	1,080	--	544	2,490
Total	88,800	42,000	1,400	6,120	17,800	32,700	11,600	--	544	2,490
Base bullion:										
Dominican Republic	464	238	--	--	--	464	238	--	--	--
Pigs and bars:										
Belgium	30	30	--	13	13	30	30	--	13	13
Canada	181,000	89,800	13,000	16,200	99,300	181,000	89,800	13,000	16,200	99,300
Germany	135	1	64	50	226	135	--	64	50	226
Mexico	63,600	37,500	2,760	1,470	20,500	63,600	37,500	2,760	1,470	20,500
Peru	11,400	1,400	--	2,110	2,650	11,400	1,400	--	2,110	2,650
United Arab Emirates	59	20	--	--	--	59	20	--	--	--
Other	10,100	349	165	6,410	9,270	10,100	349	165	6,410	9,270
Total	267,000	129,000	16,000	26,200	132,000	267,000	129,000	16,000	26,200	132,000
Reclaimed scrap, including ash and residues	(2/)	(2/)	--	--	--	(2/)	(2/)	--	--	--
Grand total	356,000	171,000	17,400	32,300	150,000	300,000	141,000	16,000	26,800	134,000

1/ Data are rounded to three significant digits; may not add to totals shown.

2/ Less than 1/2 unit.

Source: Bureau of the Census.